



IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE BANKRUPTCY OF
IMOGO MOBILE TECHNOLOGIES CORP.

(the "Company")

TRUSTEE'S REPORT TO CREDITORS

MAY 29, 2013

BACKGROUND

Imogo Mobile Technologies Corp. (the "Company") provides cloud-based IT computing services to small and medium sized businesses. The Company, through its cloud-portal software, provides secure access to email, office phone, faxes and other documents via personal mobile devices. The Company also offered cloud-based access to popular office software applications. Users of these services were charged a monthly fee. The Company had an office in Burnaby BC which has since been closed. There is no current office location for the company.

The Company has never been profitable and relied heavily on investors, shareholders and government tax incentives through the Scientific Research and Experimental Development (SR&ED) program to fund operations. As new investment and funding from shareholders slowed, the resulting shortfall in working capital did not allow the Company to meet its obligations as they became due.

Efforts to restructure operations and find alternative financing were unsuccessful and a lower than anticipated SR&ED claim caused the Company to effectively cease operations in November 2012. The Bowra Group Inc. ("TBGI") was appointed Receiver of the Company on March 12, 2013. The Company was petitioned into bankruptcy on May 8, 2013 with TBGI appointed as Trustee.

FINANCIAL SITUATION

For the two years ending December 31, 2011 and December 31, 2012, the Company's combined net losses were \$2.0 million. The Company did not operate in 2013.

The Company was in breach of a number of financial covenants with its primary lender, Espresso Capital Partners Tax Credit II Limited Partnership ("Espresso"), and was unable to generate the cash flow to support its operations.

SECURED CREDITORS

The Trustee is aware of the following creditors whose claims have priority over the claims of unsecured creditors:

Creditor	Assets Secured	Claim Amount \$000's
Espresso	All property	200
Employees - WEPP	All property	10

UNSECURED CREDITORS

According to the Company's records, unsecured creditor claims total approximately \$351,000. In addition, there are approximately \$37,000 in claims for employees for wages, vacation and severance.

IDENTIFICATION AND ESTIMATED REALIZATION VALUE OF ASSETS

A preliminary estimate of the realizable value of assets of the Company is summarized below:

<u>Assets</u>	Estimated Realization \$
SRED Claim	100,000
Total	<u>\$ 100,000</u>

The above estimated realizations are before the costs associated with the realization process. The Receiver is currently dealing with the realization of the SR&ED claim.

LEGAL ACTIONS

The Trustee is not aware of any ongoing litigation. The Trustee has not commenced or continued any actions on behalf of the Company and neither has the Receiver.

REVIEW OF RECORDS

The Trustee has performed a preliminary review of the Company's books and records that are available and the Trustee has not identified any transactions which could be regarded as reviewable transactions or transfers at undervalue; there may be further investigations conducted that could reveal such items.

CONFLICT OF INTEREST

On March 12, 2013, Espresso appointed TBGI as Receiver of the Company. Given the dual role we are acting in we are obligated to seek independent legal advice concerning the validity of the Espresso security. This independent legal opinion confirms that the security of Espresso is valid and enforceable.

CONCLUSION

Realization from the Company's assets will be insufficient to satisfy the claims of the secured creditor who will suffer a significant shortfall. Therefore, there will be no distribution available to unsecured creditors.



The Bowra Group Inc.
Trustee in Bankruptcy of Imogo Mobile Technologies Corp.